

59-7-102 (Superseded 09/02/14). Exemptions.

(1) Except as provided in this section, the following are exempt from a tax under this chapter:

- (a) an organization exempt under Section 501, Internal Revenue Code;
- (b) an organization exempt under Section 528, Internal Revenue Code;
- (c) an insurance company that is otherwise taxed on the insurance company's premiums under Chapter 9, Taxation of Admitted Insurers;
- (d) a local building authority as defined in Section 17D-2-102;
- (e) a farmers' cooperative; or
- (f) a public agency, as defined in Section 11-13-103, with respect to or as a result of an ownership interest in:
 - (i) a project, as defined in Section 11-13-103; or
 - (ii) facilities providing additional project capacity, as defined in Section 11-13-103.

(2) A corporation is exempt from a tax under this chapter:

- (a) if the corporation is an out-of-state business as defined in Section 53-2a-1202; and
- (b) for income earned:
 - (i) during a disaster period as defined in Section 53-2a-1202; and
 - (ii) for the purpose of responding to a declared state disaster or emergency as defined in Section 53-2a-1202.

(3) Notwithstanding any other provision in this chapter or Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act, a person not otherwise subject to the tax imposed by this chapter or Chapter 8 is not subject to a tax imposed by Section 59-7-104, 59-7-201, 59-7-701, or 59-8-104, because of:

- (a) that person's ownership of tangible personal property located at the premises of a printer's facility in this state with which the person has contracted for printing; or
- (b) the activities of the person's employees or agents who are:
 - (i) located solely at the premises of a printer's facility; and
 - (ii) performing services:
 - (A) related to:
 - (I) quality control;
 - (II) distribution; or
 - (III) printing services; and
 - (B) performed by the printer's facility in this state with which the person has contracted for printing.

(4) Notwithstanding Subsection (1), an organization, company, authority, farmers' cooperative, or public agency exempt from this chapter under Subsection (1) is subject to Part 8, Unrelated Business Income, to the extent provided in Part 8.

(5) Notwithstanding Subsection (1)(b), to the extent the income of an organization described in Subsection (1)(b) is taxable for federal tax purposes under Section 528, Internal Revenue Code, the organization's income is also taxable under this chapter.

Amended by Chapter 376, 2014 General Session